COMMISSIONERS
SUSAN BITTER SMITH - Chairman
BOB BURNS
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OPEN MEETING AGENDA ITEM

SUSAN BITTER SMITH Chairman

Direct Line: (602) 542-3625

ARIZONA CORPORATION COMMI

March 24, 2015



ORIGINAL

Re:

Docket No. E-00000V-13-0070

RESOURCE PLANNING AND PROCUREMENT IN 2013 AND 2014

My fellow Commissioners, Parties and Stakeholders,

On March 11, 2015 the Utilities Division Staff filed a Report with its recommendations, suggestions and a proposed form of order regarding the Assessment of the 2014 Integrated Resource Plans of the Arizona Electric Utilities. Staff and its consultants, Global Energy & Water Consulting, LLC and Evans Power Consulting, Inc. filed the Assessment in December of 2014. The utilities and stakeholders filed comments to the Assessment.

As noted by Staff, the Assessment does not set Commission policy or approve any plan or specific project. The Assessment examines the adequacy of the Integrated Resource Plans to meet the current requirements of the Commission required Resource Planning and Procurement Rules. Some of the participants have suggested that the Commission should consider "approving" Integrated Resource Plans, rather than "acknowledging" them, but that is not the regulatory requirement today.

Staff has described Stakeholder concerns regarding the Integrated Resource Planning process, and has identified options and made suggestions for improving the process. Staff has not made specific recommendations regarding the mechanism for these process enhancements. Staff has also identified potential legislative and regulatory changes which the Commission may want to thoughtfully consider in detail in future Staff Meetings and/or other venues.

In my review of the Staff Report, Assessment and stakeholder comments to the Assessment, I have read suggestions for Commission, Staff or Consultant led or monitored prefiling or preliminary workshops as part of the utility IRP processes. The suggestions include greater or lesser degrees of direct regulator involvement in and direction of the planning activities. This is one approach, which may or may not require legislative or regulatory changes, as pertinent. I have not prejudged this matter and I look forward to a complete discussion of these issues with my fellow Commissioners.

However, it would also assist me in my future full consideration of this matter if interested parties would submit suggestions for more rigorous utility led prefiling and/or workshop planning processes which could address stakeholder and Staff concerns.

I would appreciate responses to my questions by April 8, 2015.

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Sincerely,

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DOCKETED BY

Susan Bitter Smith Chairman

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